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IN THE

Supreme Court of the United States

JANUARY TERM, A. D. 1957.

No. 696

TIME SAVER TOOLS, INC., a Corporation of Illinois; **BRUCE A. MACKEY**; and **DAVRUS CORPORATION**, a Corporation of Illinois,

Petitioners,

vs.

BLISH, MIZE AND SILLIMAN HARDWARE COMPANY, a Corporation of Kansas, and **PARKER MANUFACTURING COMPANY**, a Corporation of Massachusetts,

Respondents.

PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE TENTH CIRCUIT

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To The Honorable, the Chief Justice and Associate Justices of The Supreme Court of The United States:

The United States District Court for the District of Kansas, Eastern Division, held United States Letters Patent No. 2,681,673 issued to Petitioner Bruce A. Mackey

valid. It also found claim one of that patent to be infringed. That patent relates to an improvement in drill bit construction for use with portable electric drills.

The judgment of the District Court enjoined future infringement and damages to make Plaintiffs whole, "together with such additional amounts * * * based upon Defendants' willful and deliberate conduct."

On appeal to the Court of Appeals for the Tenth Circuit, the Court stated that the "ultimate question of validity is one of law for us to decide for ourselves upon the record". It then found the patent to be invalid. It did not discuss and make any findings on infringement. It did not discuss or make any findings that Defendant Parker had "unjustly enriched itself prior to the issuance of the patent in suit and should be held accountable therefor."[1]

A Petition for Rehearing was duly filed asserting that the Court's holding that validity was a question of law was in direct conflict with the vast majority of its sister Courts of Appeals[2] and the last direct pronouncement by the United States Supreme Court.[3]

Petitioner also petitioned the Court to consider the District Court's Findings and Judgment Order with respect to Defendant Parker's "unjust enrichment", a cause of action separate and apart from the validity of the patent. The Petition for Rehearing was denied.

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[1] Conclusion of Law No. 4, R. 16.

[2] Only the Court of Appeals for the Fifth Circuit appears to agree with the Tenth Circuit in **Glitsch v. Wyatt Metals**, 224 F. 2d 331 (1955).

[3] **Graver Mfg. Co. v. Linde Co.**, 336 U.S. 271, 275 (1949).

REFERENCE TO THE OFFICIAL AND UNOFFICIAL REPORTS OF THE OPINIONS DELIVERED IN THE COURTS BELOW.

The opinion of the District Court is unreported, but is reported in the Transcript of Record pp. 169-171. The Findings of Fact and Conclusions of Law are reported at pp. 12-16 of the Transcript of Record.

The opinion of the Court of Appeals is 236 Fed. 2d 913; 111 USPQ 6, and is reported in the Transcript of Record of the United States Court of Appeals for the Tenth Circuit at pp. 3-12. The Petition for Rehearing at pp. 14-32 and the denial thereof at p. 33.

STATEMENT OF THE GROUNDS ON WHICH THE JURISDICTION OF THIS COURT IS INVOLVED.

Petitioners' Petition for Rehearing, duly filed, was denied on October 19, 1956, less than ninety days before the date upon which this Petition will be presented.

This Court's jurisdiction is invoked under Section 1254 of the Federal Judicial Code (U.S.C.A., Title 28, Sec. 1254, 62 Stat. 928).

THE QUESTIONS PRESENTED FOR REVIEW.

1. Is not the decision of the Court of Appeals for the Tenth Circuit in direct conflict with the vast majority of its sister Courts of Appeals and the latest direct pronouncement by the Supreme Court of the United States when it states that "the ultimate question of validity is one of law for us to decide for ourselves upon the record"?

2. Does the opinion of the Court of Appeals in this case not render Rule 52(a) of the Federal Rules of Civil Procedure *meaningless* and of *no effect* where the District Court made elaborate findings of fact based upon conflicting expert testimony and scientific tests and the Court of Appeals—

a. does not criticize these findings;

b. does not find them to be erroneous or clearly erroneous; and

c. apparently agrees with the findings but yet finds the patent to be invalid as a matter of law?

3. The Court of Appeals in this case failed to consider the District Court's finding that Defendant Parker was guilty of "unjust enrichment" by reason of its deliberate and willful conduct. Unjust enrichment is a cause of action separate and distinct from patent infringement and validity. Does this action of the Court of Appeals call for *Certiorari* in order to obviate Petitioners' rearguing the matter before the District Court and the Appellate Courts thereafter?

STATEMENT OF THE FACTS.

The Object of the Invention Claimed in Petitioners' Patent Was to Provide a New Drill Blade For Use With the Portable Electric Drill.

The art of boring wood or similar material in an extremely old art. Hand drills are hundreds of years old and their use with the conventional brace and bit are well known. Defendants have cited a drill bit as a prior art reference which is more than one hundred years old. In fact, over half of the references cited against the patented device ante-date the twentieth century. As the Defendants' expert witness testified each of the tools performed various functions according to the needs required.

With the introduction of the power tool and especially the portable electric drill, which delivered speeds much greater than that possible with the conventional brace and bit, a new tool or drill bit was required if it were to perform efficiently and economically with the new power source. To this end, a number of tools were developed especially to be used with this power source. Defendants developed drill bits of the type introduced as Plaintiff's Exhibits 2 and 7 for that purpose. Other tools were also introduced into evidence; namely, the Whitman-Barnes tool used by Plaintiffs' expert, Professor Kozacka, in the first scientific test as shown by Plaintiffs' Exhibits 51-(3); the Dura-bilt tool, Plaintiffs' Exhibit 56, and many others alluded to in the record and depositions of Messrs. Priest and Craumer.

Each of these tools developed for use with a motor driven source employed the principle of a gnawing, rubbing or scraping action to remove the material from the hole being bored. This resulted in a great deal of friction and

required more power for penetration of the wood by the drill bit to obtain the desired results. This resulted in excessive wear and strain upon the power tool. In addition, because these tools employed a scraping or gnawing action, the user of the drill bit had to exert much greater force upon the drill. This is amply shown by the tests Professor Kozacka undertook in the early part of 1952 which resulted in the test report (Pl. Exs. 48a and 48b).

The inventor, one of the petitioners, Bruce A. Mackey, disclosed and claimed[4] a removable drill blade having a curved cutting edge bent in the direction of rotation which can be secured interchangeably with other similar drill blades to a common shank which is inserted into the chuck of an electric motor. The drill blade can be employed to cut or slice holes in wood, plastics, aluminum and other similar materials.

The District Court, after hearing the testimony of the inventor, a practical expert in the field, Professor Kozacka and other witnesses, as well as Defendants' expert, made extensive Findings of Fact:

"6. Prior to the Mackey drill blade there were a number of drill bits on the market designed for use with an electric drill, such as Plaintiffs' Exhibits 2, 7, 51-3, 51-6 and 56. Defendant Parker, before learning of

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[4] The only claim in suit, Claim 1, reads:

"1. A flat drill blade generally rectangular in shape, having front cutting edges, a back edge and side edges, a centrally located tapered lead point extending forward from the front edges of the same, means at its back edge for attachment to a holder, the front cutting edges and a portion of each of said side edges being bent from the plane of the body of the blade in the direction of rotation, each of said front cutting edges being in a continuous line from the base of said lead point to the side edges of said blade."

the Mackey patented drill blade, manufactured and sold drill bits which were permanently fixed to a shank, the blade portions of which were flat. They are here in evidence as Plaintiffs' Exhibits 2 and 7.

7. Drill bits like Plaintiffs' Exhibits 2, 7, 51-3, 51-6 and 56 employed a gouging or scraping action to remove the wood from the hole being bored.
8. The drill blade comprising the invention of the patent in suit was new, different and obtained far better results than prior art structures. It employed a slicing action to remove the wood from the hole being bored, because of the unique rake design of the blade. Mackey thereby solved the problem of producing a much more efficient tool for use with electric drills.
9. The gouging or scraping action of prior art drill bits (such as Plaintiffs' Exhibits 2 and 7) resulted in the consumption of much greater power, more wear and tear on the motor and more effort by the operator than the Mackey patented drill blade. Tests conducted by Prof. Kozacka of the University of Illinois show this beyond a shadow of doubt.
10. The fact that different sizes of the drill blade of the patent in suit could be inserted into a common shank resulted in a much less expensive tool to make. Claim one defines this feature as a part of the invention.
11. The Mackey replaceable drill blade was first disclosed in confidence to a buyer of Sears Roebuck & Co. in the Fall of 1951. At this time Sears was buying all of the production of Defendant Parker's flat faced bit, Plaintiffs' Exhibit 2.
12. Defendant Parker, upon appreciating the unique features and operational superiority of the Mackey replaceable drill blade, deliberately copied Mackey by making and selling replaceable drill blades of the character in evidence as Plaintiffs' Exhibit 3 embodying each of the features of the patented drill blade. No evidence of independent development of the accused drill bits was presented by Defendant Parker.

13. The accused drill blades do not follow the teachings of the prior art patents or publications, but do follow and embody the teachings of the patent in suit.
14. The drill blade of the patent in suit was a vast advancement and improvement in the wood-boring art. It met with immediate commercial success and the sales of the accused device (Plaintiffs' Exhibit 3) exceeded the sales of Defendant Parker's flat face bit (Plaintiffs' Exhibit 2) in the second year of the manufacture and sale of the accused replaceable drill blade.
15. None of the prior art patents and publications cited by Defendants' anticipate the replaceable drill blade of the patent in suit and the structure of the Mackey patent has meritorious invention over the prior art. No evidence was presented by Defendant Parker to demonstrate that the performance of the patented drill bit could be achieved by following the teachings of the prior art patents or publications. The steps taken by Mackey were not obvious or within the routine skill of those skilled in the art. In the light of the general state of development in the boring tool field, and of the facts set forth in the preceding findings, it is clear that it required invention of the quality required by 35 U.S.C. 103 to produce the drill bit of the patent in suit."

We do not ask the Court to weigh the evidence underlying these findings because the Court of Appeals did not weigh the evidence but thus summarily disposed of the validity of the patent:

> • • • "In its formal findings, the trial court specifically found that the 'steps taken by Mackey were not obvious or within the routine skill of those skilled in the art.' The court seemed to be influenced by the idea embodied in a well known rule that if the improvement was simple, as it seems, why didn't some one else schooled in the art think of it and employ it before. The court thought it significant that the de-

fendant-appellant 'copied as nearly as he could' the patent in suit in the development of the accused device.

"The statute accords presumptive validity to the patent (35 USC § 282), and the trial court's judgment gives added weight. But the ultimate question of validity is one of law for us to decide for ourselves upon the record. *Great Atlantic & Pacific Tea Co.* v. *Supermarket Equipment Co., supra; Westinghouse Electric & Mfg Co.* v. *Formica Insulation Co.*, 266 U.S. 342; *Crosley Corp.* v. *Westinghouse Electric & Mfg. Co.*, 152 F. 2d 895; *Kawneer Co.* v. *Pittsburgh Plate Glass Co.*, 109 F. Supp. 228; *DeBurgh* v. *Kindel Furn. Co.*, 125 F. Supp. 468. If the twisting of the bit is not invention, can it be said that the bending of the same from the plane of the body is more than mere 'perfection of workmanship' even though demonstrably more efficient? We think not. *Shaffer* v. *Armer, supra; Baum* v. *Jones & Laughlin Steel Corp., supra.* We accordingly conclude that the difference between the bend in the accused device and the spiral or twist in the prior art should have been obvious to the ordinary mechanic. The judgment is therefore REVERSED."

There is nothing in the record of this case to support the arbitrary conclusion of the Court of Appeals that "the difference between the bend in the accused device and the spiral or twist in the prior art should have been obvious to the ordinary mechanic", especially since the Court of Appeals admitted that the patent in suit was an "improvement over the prior art" and "superior to any bit".

REASONS RELIED ON FOR ALLOWANCE OF THE WRIT.

I.

The Court of Appeals Decision That Validity Is A Question Of Law For It To Decide Is In Apparent Conflict With The Latest Direct Pronouncement By This Court And Is In Direct Conflict With The Vast Majority Of The Other Courts of Appeals.

The latest direct pronouncement by this Court as to whether validity is a question of law or fact is found in *Graver Mfg. Co.* v. *Linde Co.*, 336 U.S. 271, 275 (1949), where this Court said, through Justice Jackson:

> "* * * We are now asked to hold that there has been no such invention.
>
> Rule 52(a) of the Federal Rules of Civil Procedure provides in part: 'Findings of fact shall not be set aside unless clearly erroneous and due regard shall be given to the opportunity of the trial court to judge of the credibility of the witnesses.' To no type of case is this last clause more appropriately applicable than to the one before us, where the evidence is largely the testimony of experts as to which a trial court may be enlightened by scientific demonstrations." (p. 274)

Surely, there can be no more direct statement that validity or invention is a question of fact which is not to be set aside unless "clearly erroneous" especially "where the evidence is largely the testimony of experts as to which a trial court may be enlightened by scientific demonstrations." This statement has as great import here inasmuch as Plaintiffs had two expert witnesses testifying, one of them based upon scientific tests, and Defendants only witness was an expert witness. Nonetheless, the Court of Appeals found Petitioners' patent to be invalid as a matter

of "law". In support of this pronouncement the Court cited the slightly later Supreme Court case of *Great Atlantic & Pacific Tea Co.* v. *Supermarket Equipment Co.*, 340 U.S. 147 (1950) as authority that the ultimate question of validity is one of law. A close analysis of this case shows that this statement is not supportable by this decision.

In the *A & P* case the Supreme Court reversed both lower courts which had found a patent to a cashier's counter to be valid. The District court explicitly found that each element in this device was known to the prior art, but that the concept of an "extention" for the tray was a novel feature. This finding was sustained by the Court of Appeals.

The Supreme Court, again speaking through Justice Jackson, stated: "Since the courts below perceived invention only in an extension of the counter, we must determine whether they were right in so doing." (p. 149). He then listed the reasons why the courts below were in error, on statutory patent law. The test for invention was stated at page 152 of the opinion:

> " * * * The conjunction or concert of known elements must contribute something; only when the whole in some way exceeds the sum of its parts is the accumulation of old devices patentable. * * * This case is wanting in any unusual or surprising consequences from the unification of the elements here concerned, and there is nothing to indicate that the lower courts scrutinized the claims in the light of this rather severe test."
>
> "Neither court below has made any finding that old elements which made up this device perform any additional or different function in the combination than they perform out of it."

The Court then concluded with this significant statement:

> " • • • The questions of general importance considered here are not contingent upon resolving conflicting testimony, for the facts are little in dispute. We set aside no finding of fact as to invention, for none has been made except as to the extension of the counter, which cannot stand as a matter of law." (pp. 153, 154)

Thus it can be seen that the court did not state that invention or validity is a question of law but rather the lower courts were in error of statutory patent law in holding that the "extension" of the counter amounted to invention and because "Neither court below has made any finding that old elements which made up this device perform any additional or different function in the combination than they perform out of it."

Petitioner, in the instant case, has fully complied with the standards of invention enunciated in this decision as will be seen in the following sections of this Petition.

Thus, the Court of Appeals for the Tenth Circuit is in conflict with *Graver Mfg. Co.* v. *Linde Co.*, (*supra*), and is not supported by the *A & P* case, (*supra*). Furthermore, in the First, Second, Third, Sixth, Seventh, Eighth and Ninth Circuits, the Courts of Appeals have stated time and time again that the question of validity or invention is one of fact. These decisions are listed below in their proper order.

First Circuit

Lincoln Stones Inc. v. *Nashua Mfg. Co.*, 157 F. 2d 154 (1946).

Second Circuit

Schering Corp. v. *Gilbert*, 153 F. 2d 428 (1946).

Third Circuit

Zephyr American Corp. v. *Bates Mfg. Co.*, 128 F. 2d 380 (1942).

Cusano v. *Kotler,* 159 F. 2d 159 (1947).
Galion v. *Budd Mfg.,* 169 F. 2d 72 (1948).
Sutherland Paper v. *Grant Paper,* 183 F. 2d 926 (1950).

Sixth Circuit

O'Leary v. *Liggett Drug,* 150 F. 2d 656 (1945).
Bector Dickinson v. *R. P. Scherer,* 211 F. 2d 835 (1954).

Seventh Circuit

Barie v. *Superior Tanning Co.,* 182 F. 2d 724 (1950).
Associated Plastics v. *Gits Molding,* 182 F. 2d 1000 (1950).
Texas Oil Co. v. *Glode Oil Refining Co.,* 225 F. 2d 725 (1955).

Eighth Circuit

Hall Laboratories v. *Economics Laboratory Inc.,* 169 F. 2d 65 (1948).
Trico v. *Delman Corp.,* 180 F. 2d 529 (1950).
Willis v. *Town,* 182 F. 2d 892 (1950).

Ninth Circuit

Brodic Co. v. *Hydraulic Press,* 151 F. 2d 91 (1945).
Crowell v. *Baker Oil Tools Inc.,* 153 F. 2d 972 (1946).
Maulsky v. *Cozenroy,* 161 F. 2d 165 (1947).
Faulkner v. *Gibbs,* 170 F. 2d 34 (1948).

We submit that the conflict between this Court, the Courts of Appeals in most of the other circuits, and the Court of Appeals for the Tenth Circuit, calls for certiorari to be granted to determine this vexatious question of patent law.

The Combination of Elements in Petitioners' Mackey Blade Performs an Additional and Different Function in the Combination Than They Performed Out of It.

Recalling the test that the Supreme Court handed down in the *A & P* case for mechanical patents, the combination of elements in the Mackey patented blade performs an additional and different function in the combination than they performed out of it. That is, the Mackey patented blade performs unexpected functions than normally obtained from the elements comprising the blade.

The Court of Appeals found that the replaceable feature of the Mackey patented blade had been known and shown in two other patents to which Petitioners agree. It is also true that flat faced blades to be used with portable electric drills have also been known. In this respect the blades of the Defendant Parker, Plaintiffs' Exhibits 2 and 7, are the best examples. However, nowhere in the prior art is there shown a blade whose front edges and side edges are bent forward from the plane of the body of the blade in the direction of rotation to form continuously curved cutting edges.

In addition, the court stated that a front rake to the cutting edges is not new, and in support thereof cites "Boiler Making and Repairs" and "Advance Machine Work." Both of these are publications in the years 1926 and 1925. These publications merely state what might be done to elongated strips of steel. They in no way can be considered blades. As such, at most, they are paper art since Defendants never came forward with any physical exhibits of them. In any event, these elongated, flat drills would not be able to perform in substantially the same way to obtain the same results as the patented drill blade as was testified to by Plaintiffs' expert, Prof. Kozacka.

The only other art that has been cited against the front rake of the blade—and it is important to *distinguish* between a *blade* like the Mackey blade and the accused structure and a *drill bit which is an elongated cylindrical piece of steel* such as is shown in the common drill—is the ordinary twist drill bit. It is noted that the Court has found, as was clearly shown by the scientific tests of Plaintiffs' expert, that the conventional twist drill bit when attached to a power tool *pulled* or *screwed itself* into the soft material, thereby making it unusable as such.

Thus, if one would apply the rake of the conventional twist drill bit to a power source, it would pull itself into the soft material being bored and thus it would not perform satisfactorily, if at all. However, by employing the inventive concept of the Mackey blade, that is, putting a small front rake on a blade—in contradistinction to an elongated drill bit—the tool resulted in an altogether new function of quickly boring through the soft material with less consumption of power, less wear and tear on the motor, and with less effort by the operator. This is because the front rake mounted on a blade results in a slicing action rather than a screwing or auger-type action found in the conventional drill bit. (Findings of Fact, No's. 8 & 9)

It is noted that the Court makes the following statement in its decision:

> "The idea of twisting a bit to obtain a front rake for cutting edges is not new. The record shows a spiral-type bit adaptable to high speed wood boring. While this device was developed after the patent in suit, the parties agree that it reads on the prior art; does not involve invention or infringe the patent in suit. The appellee freely concedes that if the accused bit had been twisted into a spiral shaped tool, it would not have infringed, although possessing a front

rake. The inventor bases his claims to invention on the combination of detachability and a bent, as distinguished from a twisted, cutting edge to produce a new and useful result in the crowded wood-boring art."

The drill bit that the court is referring to is Plaintiffs' Exhibit 5 and is the drill bit that Defendants sell in sizes of less than one-half inch. The elongated spiral ribbon drill has a spiral throughout its entire length. It certainly is not a blade. Plaintiffs freely admit that this elongated ribbon drill does not infringe Claim One of the Mackey patent for to admit or infer infringement against this tool would be as much as saying that elongated twist drills or the conventional drill bits are applicable art, which they are not, as shown by the scientific tests of Prof. Kozacka. The spiral ribbon drill is not a blade! It does not perform in the same way as the patented drill blade, nor does it obtain the same results. Plaintiffs' expert, Professor Kozacka, testified that this type of spiral ribbon drill does not operate effectively or efficiently, primarily because of its length which when used with a power tool, vibrates a great deal which causes excess friction and use of additional power and, as Professor Kozacka testified, "it is not an efficient tool" (R. 86). In addition, it would be an expensive tool to make and would present a great problem in the fabrication of such a long, twisting drill (R. 86). Since it can not and does not perform in the same way to obtain the same results, its pertinency is negated.

It appears obvious, therefore, from the above that the Mackey drill blade does achieve a new and unexpected result as required by the tests set forth in the *A & P* case; namely, by putting the slight front rake to a drill blade, the drill blade obtains a slicing action and does not bury itself into the material that is being bored as does the

conventional drill bit. In addition, if a ribbon type spiral drill were to be used in the form of an elongated drill bit, such as Plaintiffs' Exhibit 5, the tool would not operate efficiently because of the torque imparted from the motor source causing vibration in the long spiral drill, which results in an inefficient tool. It is submitted that the test of the *A & P* case is fully met.

II.

The Court of Appeals Has So Ignored The Import of Rule 52(a) Of The Federal Rules of Civil Procedure, Which Provides That a Trial Court's Findings of Fact Should Not Be Set Aside Unless "Clearly Erroneous" As To Render The Rule Meaningless.

Nowhere in the Court's decision does it state that the trial Judge's findings were erroneous. Indeed, the Court apparently concurred with the trial Judge as to most of its Findings when it says:

> "The trial court found from competent expert testimony that the patented device was a new and useful improvement in the wood-boring art; and that it filled a felt need as evidenced by its immediate commercial success."
>
> • • • • • •
>
> "It is true, however, the patent in suit is undoubtedly an improvement on the prior art. The bit was scientifically demonstrated to be superior to any bit which had been devised for high speed wood boring, including the accused device. Indeed, there was expert evidence to the effect that the patent in suit was the first detachable woodboring blade with a front rake adaptable to use as a power tool."
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> • • • • • •
>
> " • • • In its formal findings, the trial court specifically found that the 'steps taken by Mackey were not obvious or within the routine skill of those skilled in the art'."

Since the Mackey patented blade was found by "competent expert testimony" to be "a new and useful improvement in the wood-boring art" and that "it filled a felt need" and that the "bit was scientifically demonstrated to be superior to any bit which had been devised for high speed wood-boring', and, further, that the "steps taken by Mackey were not obvious or within the routine skill of those skilled in the art," invention, by the test of the *A & P* case, was present and the Judgment under Rule 52(a) should have been affirmed.

The trial court also found (Finding 15) that "None of the prior art patents and publications cited by Defendants anticipate the replaceable drill blade of the patent in suit * * *. No evidence was presented by Defendant Parker to demonstrate that the performance of the patented drill could be achieved by following the teachings of the prior art patents or publications."

This finding was based on the testimony of Plaintiffs' expert Prof. Kozacka, together with his scientific tests. It was not refuted in any way by Defendants' expert and this includes Prof. Kozacka's testimony, based on his tests, that the elongated ribbon drill used by Defendants (Plaintiffs' Exh. 5) was not "an efficient tool" and would not and could not achieve the same results as the Mackey drill blade.

It is submitted, therefore, that the Court of Appeals should have applied Rule 52(a) and that its failure to do so renders this rule meaningless. This action of the Court calls for *certiorari.*

III.

The Court of Appeals Should Have Considered Defendant's Unjust Enrichment Which is a Distinct and Different Cause of Action Than the Validity of Claim One of the Patent in Suit.

The trial court, in Finding 19, found that Defendant Parker had "unjustly enriched" itself and should be held "accountable since the initial sale of the accused device." That Finding, in full, reads:

> "19. Defendant Parker has unjustly enriched itself in the manufacture of the accused structure and should be held accountable since the initial sale of the accused device."

This Finding is based on Defendant's deliberate copying of the Mackey drill blade. Findings 11 and 12 state:

> "11. The Mackey replaceable drill blade was first disclosed in confidence to a buyer of Sears Roebuck & Co. in the Fall of 1951. At this time Sears was buying all of the production of Defendant Parker's flat faced bit, Plaintiffs' Exhibit 2.
>
> "12. Defendant Parker, upon appreciating the unique features and operational superiority of the Mackey replaceable drill blade, deliberately copied Mackey by making and selling replaceable drill blades of the character in evidence as Plaintiffs' Exhibit 3 embodying each of the features of the patented drill blade. No evidence of independent development of the accused drill bits was presented by Defendant Parker."

In the Conclusions of Law (Conclusion 4) the Court found:

> "4. Defendant Parker has unjustly enriched itself *prior to the issuance of the patent in suit* and should be held accountable therefor."

All of which resulted in Paragraph 4 of the Judgment Order:

"4. That Plaintiffs as their respective interests may appear herein recover from the Defendants such damages as prescribed by law to make Plaintiffs whole, together with such additional amounts as authorized by law which this Court may assess under the provisions of 35 USC 284, 285, based upon Defendants' wilfull and deliberate conduct."

These Findings are soundly based on the testimony of Defendant Parker's President, an employee of Sears, Roebuck & Co., the testimony of Plaintiff Mackey, and the correspondence and documents between Defendant Parker and Sears Roebuck & Co. (Plaintiffs' Exhs. 13-29) in evidence.

The Court of Appeals made no mention and in no way considered or commented on these Findings and paragraph 4 of the Judgment Order. They should have been considered inasmuch as they present a distinct cause of action separate and apart from the validity of the patent.

In a recent case, *Smith* v. *Dravo Corp.*, 203 F. 2d 269 (1953), the Court of Appeals for the Seventh Circuit found two patents invalid but yet found the defendant to be guilty of a breach of confidential relations which entitled plaintiff to damages and profits. The Court, speaking through Judge Lindley, stated as to the separability of the two causes of action:

"Plaintiffs assert that if defendant is liable for breach of confidential relations, it is estopped to plead invalidity of the patents. The decisions cited in support, we think, do not sustain the argument. The two causes of action are entirely separate; finding of guilt upon the first two counts can in no wise affect the question of validity of the patents under counts 3 and 4. In *Booth* v. *Stutz Motor Co.* 56 F. 2d 962 (13 USPQ 12) (CA 7), we held the patent invalid but nevertheless defendant was liable for breach of a confidential relationship. Similar was the ruling in

Schreyer v. *Casco Products Co.*, 190 F. 2d 921 (90 USPQ 271) (CA 2). We find in the record nothing to estop defendant from asserting invalidity. After mature consideration we conclude that the judgment on counts 3 and 4 must be affirmed."

Similarly, in *Schreyer* v. *Casco Products Corp.*, 190 F. 2d 921, the Court of Appeals for the Second Circuit found defendant to be liable for unfair competition, even though the patent was held to be invalid. In that case, the Court, speaking through Justice Chase, said:

"• • • The complaint alleged, and the court found, that in making the ironer charged in this suit to infringe the patent Casco used such information to its own advantage in time and money. Although the court found no express agreement to hold the information in confidence and not to use it if the negotiations for a license were not successful, there was a confidential relationship created between the parties by the disclosures which restricted the right of Casco to use them to the purposes for which the disclosures were made. *Hoeltke* v. *C. M. Kemp Mfg. Co.*, 4 Cir., 80 F. 2d 912 (26 USPQ 114, 28 USPQ 176). The breach of this confidential relationship, enabling Casco to invade the plaintiffs' market, was unfair competition."

The Court continued that because of such unfair competition plaintiff was also entitled to provable damages:

"The information confidentially obtained and used during 1948 was substantially disclosed by the issuance of the patent on July 5, 1949, and the use of that source of information would not, apart from the risk of infringement, have been wrongful. *Conmar Products Corp.* v. *Universal Slide Fastener Co.*, 2 Cir., 172 F. 2d 150 (80 USPQ 108). Nevertheless, the trial court found that the use of the confidential disclosures enabled the defendant to produce and market its iron at an earlier date than would have been possible had it relied upon independent research into the construction of the plaintiff's iron then on the market or upon

the patent. It accordingly ordered an accounting of the profits resulting from the acceleration of the date when production was possible.

"Although the provable damages may present more than the usual difficulty, we feel sure that damages will afford a complete and adequate remedy for any wrong suffered because of unfair competition and therefore find no error in the denial of an injunction."

Although the above two cases were cases for breach of confidential relationship which are in the nature of unfair competition, as the Court of Appeals for the Second Circuit found, they are nonetheless based upon the sound equitable doctrine that a party should not unjustly enrich itself at the expense of others where its conduct is such that the other party should receive compensation.

In view of the fact that the trial court has found, from the evidence and testimony, that Defendant Parker has "unjustly enriched" itself by "deliberately copying" the Mackey patented blade and by other "wilfull and deliberate conduct" with respect to the Mackey patented blade, the Defendants should be held accountable since the initial sale of the infringing device, it is submitted that the Court of Appeals should have considered this question because it is a distinct and separate cause of action.

Because the Court of Appeals failed to consider in any form this separate cause of action, Petitioners will be obliged to press for relief on this cause of action in the District Court when the mandate is spread. Whether this cause of action is granted or denied, the parties are faced with the prospect of further expense, effort and time in appealing the District Court's decision. The parties hereto should not be subjected to such piece-meal litigation and *certiorari* for this reason alone, it is submitted, should be granted.

CONCLUSION.

For the reasons set forth in this Petition, we respectfully submit that *certiorari* should be granted.

Respectfully submitted,

Owen J. Ooms,
Attorney for Petitioners.

APPENDIX

Opinion of the Court.

Filed Aug. 29, 1956, Robert B. Cartwright, Clerk

IN THE

UNITED STATES COURT OF APPEALS

TENTH CIRCUIT

MAY TERM—1956

Number 5247

BLISH, MIZE and SILLMAN HARDWARE COMPANY, a corporation of Kansas, and **PARKER MANUFACTURING COMPANY**, a corporation of Massachusetts,

Appellants,

vs.

TIME SAVER TOOLS, INC., a corporation of Illinois; **BRUCE A. MACKEY**; and **DAVRUS CORPORATION**, a corporation,

Appellees.

Appeal from the United States District Court for the District of Kansas.

Cedric W. Porter (L. G. Miller was with him on the brief) for Appellants.

Owen J. Ooms (Norman B. Sorter was with him on the brief) for Appellees.

Before HUXMAN, MURRAH and PICKETT, Circuit Judges.

MURRAH, Circuit Judge.

This is an appeal from the District Court of Kansas, holding appellee's patent for a detachable drill bit valid and infringed by appellant's accused device. Appellants first plead noninfringement, then invalidity. But, following what has been said to be the better practice (*Sinclair & Carroll Co., Inc.* v. *Interchemical Corp.*, 325 U.S. 327), we shall first consider the issue of validity.

The Patent (No. 2,681,673), issued to Mackey in June 1954, relates to an improvement in drill bit construction, and particularly to drill bits used for boring large holes in wood, plastics, aluminum or other similar materials. It contemplates the use of a drill shank, attachable to the chuck of a portable electric drill with a blade holder capable of interchangeably receiving the different sizes of the detachable drill bit.

Only Claim One is in suit. It discloses a flat rectangular shaped drill blade having front, side and back edges. A centrally located tapered lead point extends forward from the front edges. The front edges and a portion of the side edges are bent forward from the plane of the body of the blade in the direction of rotation to form continuously curved cutting edges. The back edge has means for attachment to the shank or holder.

The significant features of the bit are: (1) its interchangeable attachment to the drill shaft, permitting the economical use of multiple sized bits on the same shaft; and (2) forward bending and sharpening of the front and side edges to form curved cutting edges with a front and radial rake. Invention is said to lie in the combination of its detachability and the front rake which, when used as a power tool, effects a cutting slicing action against the surface of the wood or materials being bored. That is said to be a patentable improvement over the prior art, which taught only a tool with straight cutting edges to bore a hole by a gouging scraping action, or the conven-

tional twisted bit which, when attached to a power tool, tended to pull or screw itself into the soft material.

The trial court found from competent expert testimony that the patented device was a new and useful improvement in the wood-boring art; and that it filled a felt need as evidenced by its immediate commercial success.

With immaterial qualifications, the statute (66 Stat. 797, 35 USC 101 *et seq.*) says that the inventor of any such "new and useful" device may obtain a patent therefor (§ 101), unless the "differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art. * * * ." § 103. It is agreed that the statutory standards for invention are but the codification of the common law—some courts say, as it has existed for the past one hundred years without recognition of any change in the inventive concept. *Interstate Rubber Products Corp.* v. *Radiator Specialty Co., Inc.*, 214 F. 2d 546. Others say, as it existed at the time of codification. *Bobertz* v. *General Motors Corp.*, 228 F. 2d 94; *General Motors Corp.* v. *Estate Stove Co.*, 203 F. 2d 912; *Wasserman* v. *Burgess & Blacher Co.*, 217 F. 2d 402; *Seismograph Serv. Corp.* v. *Offshore Raydist, Inc.*, 135 F. Supp. 342; *Burt* v. *Bilofsky*, 120 F. Supp. 822. Still another court says that the underlying legislative intent was to ameliorate the harshness of the inventive concept inherent in the authoritative cases of the past two decades. *Lyon* v. *Baush & Lomb Optical Co.*, 224 F. 2d 530, cert. denied 350 U.S. 911. And see also The New Patent Statute: Congress Revitalizes the Patent System, 39 Am. Bar. Assn. Journal, March 1953, pp. 209-212; Transitional Problems of the New Patent Act, 35 Journal of the Patent Office Society, May 1953, pp. 325-342; A New Patent Act—But the Same Basic Problem, 35 Journal of the Patent

Office Society, July 1953, pp. 501-511; Some Aspects of the Underlying Legislative Intent of the Patent Act of 1952, 23 George Washington Law Review, June 1955, pp. 658-699.

Whatever shade of meaning we give to the codified common law, we know that at least since 1850, to be patentable, an improvement in the prior art must involve more ingenuity and skill than the work of an ordinary mechanic in the art. *Hotchkiss* v. *Greenwood*, 11 How. 248. Some have said that to involve more than mechanical skill, the improvement must display the "flash of creative genius", *Cuno Corp.* v. *Automatic Devices Corp.*, 314 U.S. 84; or "push back frontiers of chemistry, physics and the like." See Douglas concurring in *Great Atlantic & Pacific Tea Co.* v. *Supermarket Equipment Co.*, 340 U.S. 147, and cases cited there. At the same time, those concurring in non-patentability prefer to place it on the ground that the combination or improvement, when considered as a whole, must in some way exceed the sum of its parts; or "add to the sum of useful knowledge" of the subject matter. See *Great Atlantic & Pacific Tea Co.* v. *Supermarket Equipment Co., supra;* see also *Baum* v. *Jones & Laughlin Steel Corp.*, ... F. 2d ...., (10th Cir. May 1956); *Loiver United Filters* v. *Silver*, 206 F. 2d 658; *Shaffer* v. *Armer*, 184 F. 2d 303.

The last line of Section 103 says that patentability "shall not be negatived by the manner in which the invention was made." That is to say, "it is immaterial whether it resulted from long toil and experimentation or from flash of genius." See Revisor's Notes following Section 103. Commentators say that the language in the sentence was aimed directly at the "flash of genius" as exemplified in *Cuno Corp.* v. *Automatic Devices Corp., supra.* 23 George Washington Law Review, *supra;* 39 Am. Bar Assn. Journal, *supra.*

It may well be that the Congress intended to roll back the philosophical standards of patentability typified by *Cuno Corp.* v. *Automatic Devices Corp., supra,* and *Great Atlantic & Pacific Tea Co.* v. *Supermarket Equipment Co., supra.* It did not and could not, however, intend to abandon the distinction between mere mechanical skill and "inventive genius", for that concept is inherent in the constitutional purpose "to promote progress of science and useful arts." Art. 1, § 8 Const. of U.S. Indeed, the phrases "mechanical skill" and "inventive genius" have been used to mark the distinction between nonpatentability and patentability at least since before 1875. See *Reckendorfer* v. *Faber,* 92 U.S. 347. The concept was thus imported into the statute by the use of familiar and uncritical words, and it is our guide here.

And so, in the last analysis, we are brought back to the age-old test of whether the differences between what is old in the wood-boring art and what is wrought and claimed by the patented device when considered as a whole, would have been obvious to a person having ordinary skill in the art. The only new statutory word of significance is the word "obvious", and making application of it, the specific inquiry is whether the forward bending of the blade to form a curved cutting edge was obvious to the ordinary mechanic in the art. The question of course requires a reference to the prior art.

The appellee readily concedes on the record that the detachable feature on the blade is old with Shepardson No. 124,089 (1872); and Windschief No. 20,522 (1902). It is only when the detachable feature is considered in combination with the curved cutting edges that invention is claimed.

Nor can a front rake to the cutting edges said to be new in the art. In their textbook on "Boiler Making and Repairs", published in 1926, Lindstrom and Clemens taught

the art of both flat and twisted drill bits. The flat drill bit was given a front rake by grinding a groove just above the cutting edge. The tool was made more efficient by twisting the same into a spiral shape. See pp. 26-30. In his textbook on "Advance Machine Work", published in 1925, Smith also taught the art of giving the cutting edges to the drill bit a rake by grinding grooves above the cutting lips or by twisting the lips.

The idea of twisting a bit to obtain a front rake for cutting edges is not new. The record shows a spiral-type bit adaptable to high speed wood boring. While this device was developed after the patent in suit, the parties agree that it reads on the prior art; does not involve invention or infringe the patent in suit. The appellee freely concedes that if the accused bit had been twisted into a spiral shaped tool, it would not have infringed, although possessing a front rake. The inventor bases his claims to invention on the combination of detachability and a bent, as distinguished from a twisted, cutting edge to produce a new and useful result in the crowded wood-boring art.

It is true, however, the patent in suit is undoubtedly an improvement on the prior art. The bit was scientifically demonstrated to be superior to any bit which had been devised for high speed wood boring, including the accused device. Indeed, there was expert evidence to the effect that the patent in suit was the first detachable wood-boring blade with a front rake adaptable to use as a power tool.

No. 2,543,206, issued to Smith in February 1951, showed a solid flat headed bit for high speed boring, but it did not show a curved cutting edge. Priest, President of the owner of the accused device, secured Patent No. 2,689,131 in February 1954, on a tool with shank and removable blade with a lead point, but it did not purport to disclose curved cutting edges.

The patent in suit is simple when viewed in retrospect. But simplicity is no bar to invention if the steps taken are not obvious to the ordinary mechanic. *Goodyear Tire & Rubber Co., Inc.*, v. *Ray-O-Vac Co.*, 321 U.S. 253; *Diamond Rubber Co.* v. *Consolidated Tire Co.*, 220 U.S. 428; *Expanded Metal Co.* v. *Bradford*, 214 U.S. 366. In its formal findings, the trial court specifically found that the "steps taken by Mackey were not obvious or within the routine skill of those skilled in the art." The court seemed to be influenced by the idea embodied in a well known rule that if the improvement was simple, as it seems, why didn't some one else schooled in the art think of it and employ it before. The court thought it significant that the defendant-appellant "copied as nearly as he could" the patent in suit in the development of the accused device.

The statute accords presumptive validity to the patent (35 USC § 282), and the trial court's judgment gives added weight. But the ultimate question of validity is one of law for us to decide for ourselves upon the record. *Great Atlantic & Pacific Tea Co.* v. *Supermarket Equipment Co., supra; Westinghouse Electric & Mfg. Co.* v. *Formica Insulation Co.*, 266 U.S. 342; *Crosley Corp.* v. *Westinghouse Electric & Mfg. Co.*, 152 F. 2d 895; *Kawneer Co.* v. *Pittsburgh Plate Glass Co.*, 109 F. Supp. 228; *DeBurgh* v. *Kindel Furn. Co.*, 125 F. Supp. 468. If the twisting of the bit is not invention, can it be said that the bending of the same from the plane of the body is more than mere "perfection of workmanship" even though demonstrably more efficient? We think not. *Shaffer* v. *Armer, supra; Baum* v. *Jones & Laughlin Steel Corp., supra.* We accordingly conclude that the difference between the bend in the accused device and the spiral or twist in the prior art should have been obvious to the ordinary mechanic. The judgment is therefore

REVERSED.

FEB 13 1957

[redacted] Clerk

IN THE

SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1956.

No. 898.

TIME SAVER TOOLS, INC., a Corporation of Illinois; BRUCE A. MACKEY; and DAVBUS CORPORATION, a Corporation of Illinois,
Petitioners,

vs.

BLISH, MIZE AND SILLIMAN HARDWARE COMPANY, a Corporation of Kansas, and PARKER MANUFACTURING COMPANY, a Corporation of Massachusetts,
Respondents.

BRIEF

For Respondent in Opposition to Petition for Writ of Certiorari.

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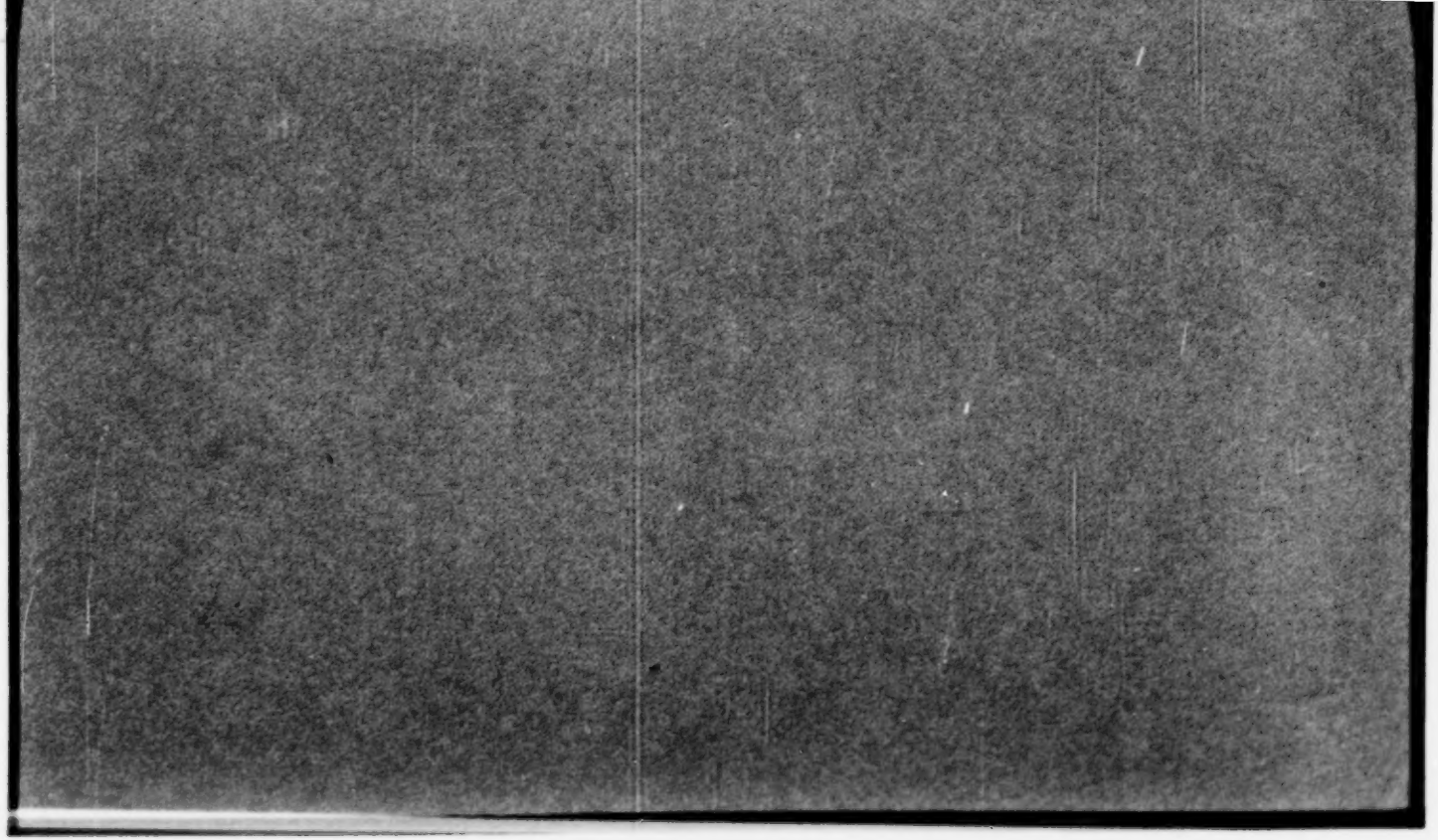

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IN THE

SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1956.

No. 696.

TIME SAVER TOOLS, INC., a Corporation of Illinois; BRUCE A. MACKEY; and DAVRUS CORPORATION, a Corporation of Illinois,
Petitioners,

vs.

BLISH, MIZE AND SILLIMAN HARDWARE COMPANY, a Corporation of Kansas, and PARKER MANUFACTURING COMPANY, a Corporation of Massachusetts,
Respondents.

BRIEF

For Respondent in Opposition to Petition for Writ of Certiorari.

I. STATEMENT OF THE CASE.

This is a patent infringement suit on Mackey patent No. 2,681,673, granted June 22, 1954, for a Drill Bit, brought by Petitioners in the United States District Court for the District of Kansas, against Blish, Mize & Silliman Hardware Company, a hardware dealer in Atchison, Kansas, who sold the alleged infringing Drill Bits, and Parker Manufacturing Company of Worcester, Massachusetts, manufacturer of the alleged infringing Drill Bits.

Two weeks before trial Petitioners amended their Complaint to add a claim for breach of confidential relations involving Sears, Roebuck & Co., the well-known mail-order and chain store distributor. Sears, Roebuck & Co. was never made a party to the suit. The alleged breach of confidential relations was based on Mackey's disclosure of his Drill Bit to a buyer in the Hardware Department of Sears, Roebuck & Co. in the Fall of 1951, to see if Sears, Roebuck was interested in selling the Drill Bit. Sears, Roebuck was interested and recommended public demonstrations and sales to test consumer reaction. A public test and sale was held in the Sears, Roebuck's Irving Park store in Chicago in March, 1952 and was quite successful. At the same time the Petitioner, Mackey, advertised his Drill Bit in Popular Mechanics Magazine in March, 1952, and himself publicly sold his Bits (Rp. 30-34). Mackey later refused to sell his Drill Bits to Sears, Roebuck, because the latter would not maintain his resale price (Mackey, Rp. 34-35). Sears Roebuck & Co. then sought and obtained a competing drill bit from defendant Parker Manufacturing Company, its regular supplier of Drill Bits. Parker Manufacturing Company, drawing on its long experience in manufacturing cutting tools, devised a Drill Bit based on the prior art, which could not, and did not, infringe the Mackey patent, we submit.

Parker Manufacturing Company was not connected in any way to the alleged breach of confidential relations by Sears, Roebuck & Company. It was apparent that Petitioners brought the issue of breach of confidential relations into the case to carry back the period of accounting for the alleged infringement to the Fall of 1951 when the disclosure to Sears, Roebuck occurred, rather than limiting it to the date of issuance of the Mackey patent June 22, 1954. Petitioners also brought it in as a basis for seeking trebled damages. Plaintiffs' Amended Supplemental Bill (Rp. 9) thus alleged:

"10. The defendants herein willfully, knowingly and maliciously commenced and carried on the manufacture and sale of drill bits of the type described and claimed in U. S. Letters Patent No. 2,681,673 in breach and violation of a confidential relationship existing prior to the issue of said Letters Patent."

And in the prayer (Par. B) for accounting of profits and damages Petitioners asked "that the amount of such profits and damages be trebled in view of the willful and malicious character of the infringement."

The District Court (Hon. Stephen S. Chandler, Jr., U. S. D. J., on Assignment) held the Mackey patent valid and infringed and (Finding No. 19) that "defendant Parker has unjustly enriched itself in the manufacture of the accused structure and should be held accountable since the initial sale of the accused device" (Rp. 15).

The issue of alleged breach of confidential relations dominated the entire case, with petitioners' counsel devoting his major attention to Sears, Roebuck's advertising of its Drill Bit and to the correspondence between Sears, Roebuck and Parker. The patent infringement suit received minor attention. Respondents' principal defense to the patent infringement suit was that the Mackey patent was clearly not infringed by Parker's Drill Bits, because of express limitations in Mackey's claims and if given a broader construction so as to be infringed, Mackey's claims then became invalid because reading on prior art devices. **Defendant's evidence of the prior art devices was based on printed patents and publications—whose disclosures spoke for themselves and were undisputed.**

II. MACKEY PATENT IN SUIT.

The Mackey patent in suit No. 2,681,673 shows a Drill Bit designed for boring holes in wood, plastic, metal and the like, and to be used in a portable electric drill. The

drawings of the Mackey patent in suit are reproduced as Appendix A to this Brief. The Drill Bit or blade 18 comprising the invention is made in a number of sizes for boring holes in different size, and is quickly detachable from the bit holder. The Mackey Drill Bit is described in the only claim in suit as follows:

> "1. A flat drill blade generally rectangular in shape, having front cutting edges, a back edge and side edges, a centrally located tapered lead point extending forward from the front edges of the same, means at its back edge for attachment to a holder, the front cutting edges and a portion of each of said side edges being bent from the plane of the body of the blade in the direction of rotation, each of said front cutting edges being in a continuous line from the base of said lead point to the side edges of said blade."

Mackey's claim 1, therefore, claimed a **flat** drill blade, substantially rectangular in shape, with the front cutting edges and a portion of the side edges **bent from the plane of the body of the blade.** The purpose of the bent portions of the side edges was to provide a rake cutting edge—a well-known expedient for providing a slicing or shearing action in a cutting tool, as in a chisel, or carpenter's plane.

Parker's Drill Bit was similar in the sense that it was designed for the same purpose, but it achieved its rake cutting edge, not by bending a portion of the side edge, but by helically twisting the entire blade—whereby no portion of the blade is flat.

It was shown conclusively and indisputably by the defendants' prior art patents and publications that flat drill blades were old; generally rectangular blades were old; replaceable drill bits were old; and tapered lead points were very common. But, most important, obtaining front rake in a cutting tool by spirally twisting the entire blade

was shown to be old. Comparative drawings of the various prior art Drill Bits mentioned in the Court of Appeals' Opinion and the Parker Drill Bit in suit (Defts' Exh. J), are reproduced herein as Appendix B to this brief.

We submit, therefore, that the District Court was plainly wrong, on the undisputed disclosures of the prior art patents and publications, in holding the Mackey patent in suit valid and infringed. Clearly, if the Mackey patent in suit is construed broadly enough to be infringed by the Parker Drill Bit, it then became invalid because reading on the prior art devices, and for lack of invention.

On appeal, the Court of Appeals for the Tenth Circuit reversed the District Court and held the Mackey patent invalid for lack of invention over the prior art of record, and ordered the Complaint dismissed. In so doing, we submit, the Court of Appeals was clearly correct.

The Court of Appeals in its Opinion did not pass directly on the issue of alleged breach of confidential relations, but in ordering the Bill of Complaint dismissed, clearly disposed of that issue. If the Mackey patent was invalid and there was no right to an accounting for profits and damages for infringement of the patent, there was, of course, no point in discussing whether such profits and damages should be trebled "in view of the willful and malicious character of the infringement." The Court of Appeals thus obviously reversed the District Court's Conclusion No. 4 (Rp. 16):

> "4. Defendant Parker has unjustly enriched itself prior to the issuance of the patent in suit and should be held accountable therefor."

and Par. 4 of the Judgment Order (Rp. 17):

> "That plaintiffs as their respective interests may appear herein recover from the Defendants such damages as prescribed by law to make Plaintiffs whole,

together with such additional amounts as authorized by law which this Court may assess under the provisions of 35 USC 284, 285, based upon Defendants' willful and deliberate conduct."

There was no separate cause of action for defendants' alleged unjust enrichment, distinct and different from the claim for patent infringement. This was brought into the case solely to carry back the date of accountability for patent infringement prior to the issuance of the Mackey patent, in accordance with settled law* and as a basis for an award of treble damages, if the Mackey patent were held valid and infringed—as the Record shows.

III. THE DECISION OF THE COURT OF APPEALS THAT PATENT VALIDITY IS A QUESTION OF LAW FOR IT TO DECIDE IS NOT IN CONFLICT WITH THE DECISIONS OF THIS COURT AND OF OTHER COURTS OF APPEALS.

The decision of this Court in **Great Atlantic & Pacific Tea Company v. Supermarket Equipment Co.**, 340 U. S. 147 (1950), is sufficient in itself, we submit, to dispose of Petitioners' contentions in this respect. In that case both the District Court and Court of Appeals upheld the patent as valid, but were reversed on that point by this Court. This Court in reversing said, by Mr. Justice Jackson (pp. 153-154):

"* * * The questions of general importance considered here are not contingent upon resolving conflicting testimony, for the facts are little in dispute. We set aside no finding of fact as to invention, for none has been made except as to the extension of the counter, which cannot stand as a matter of law."

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* See, for instance **Hoeltke v. C. M. Kemp Mfg. Co.**, 80 F. 2d 912, at 922-923 (C. C. A. 4, 1935).

This case itself then, is sufficient authority for the action taken by the Court of Appeals herein.

We further submit that the decision of the Court of Appeals on the validity of the Mackey patent in this case was clearly correct. In this case defendants' showing of the prior art practices was based entirely on **publications, such as prior patents, encyclopedias, textbooks and other publications of technical nature, whose disclosures spoke for themselves and were undisputed.** It was clear beyond dispute from these publications that it had been old in flat Drill Bits to provide a front rake by spirally twisting the drill. This was precisely the way defendant Parker Manufacturing Company achieved a front rake to improve the slicing and shearing qualities of its Drill Bit. It was unnecessary for defendant Parker to bend up a portion of the side edges from the plane of the body of the blade, as Mackey had done, to achieve a rake cutting angle.

Unquestionably, existence of invention is ordinarily a question of fact for the jury, or for the trier of fact.

Thomson Spot Welder Co. v. Ford Motor Co., 265 U. S. 445, at 446 (1924);

United States v. Esnault-Pelterie, 299 U. S. 201, at 205 (1936).

But there are occasions when the existence of invention is determined by the Court as a matter of law. We see no point, therefore, in engaging in a philosophical discussion when the existence of invention is a question of fact or law, since most of the cases are readily reconciled by the nature of the evidence supporting the existence of invention, and whether there is disputed testimony depending upon the credibility of witnesses. When the existence of invention depends on disputed testimony and the credibility of witnesses, the function of the jury in settling these disputed questions of fact is, of course, essential and paramount. But when there are no disputed questions of fact,

and the patentees' advance over the prior art can be determined readily from the undisputed written disclosures of the prior art, the question of invention can readily be determined as a matter of law by the Trial Court.

It is, of course, settled law, and an established rule of decision in patent cases, that when it is clearly apparent from the disclosures of the printed prior art that invention does not exist, and there are no disputed questions of fact depending on the credibility of witnesses, then the existence of invention is determined by the Court as a matter of law. The rule found its origin in the last century when it was quite common to try patent cases before juries.

Thus in **Market Street Railway Co. v. Rowley**, 155 U. S. 621 (1895), Mr. Justice Shiras said (p. 625):

> "Did the court below err in refusing to instruct the jury to find a verdict for the defendant on the ground that the patent sued on was void for want of novelty?
>
> "The defendant put in evidence a number of patents prior in date to the plaintiff's, and asked the court to compare the inventions and devices therein described with those claimed by the plaintiff. No extrinsic evidence was given or needed to explain terms of art, or to apply the descriptions to the subject-matter, so that the court was able, from mere comparison, to say what was the invention described in each, or to affirm from such mere comparison whether the inventions were or were not the same. The question was, then, one of pure construction and not of evidence, and consequently was matter of law for the court, without any auxiliary fact to be passed upon by the jury.
>
> "If, upon the state of the art as shown to exist by the prior patents, and upon a comparison of the older devices with those described in the patent in suit, it should appear that the patented claims are not novel, it becomes the duty of the court to so instruct the

jury. **Powder Co. v. Powder Works,** 98 U. S. 126; Heald v. Rice, 104 U. S. 737, 749; Fond du Lac County v. May, 137 U. S. 395."

See also:

Singer Manufacturing Co. v. Cramer, 192 U. S. 265 (1903);

Randall v. Baltimore & Ohio R. R. Co., 109 U. S. 478 (1883);

Brothers v. Lidgerwood Mfg. Co., 223 Fed. 359 (C. C. A. 2, 1915);

Connors v. Ormsby, 148 Fed. 13 (C. C. A. 1, 1906);

Fond du Lac County v. May, 137 U. S. 395, at 402-7 (1890);

Heald v. Rice, 104 U. S. 737, at 749 (1881);

Cochrane v. Deener, 94 U. S. 780, at 784 (1876);

Black Diamond Co. v. Excelsior Co., 156 U. S. 611, at 618 (1894);

Gunning v. Cooley, 281 U. S. 90, at 93-95 (1929).

This rule, of course, conforms to the settled rule that construction of written documents is a question of law for the Court. See:

Hamilton v. Liverpool L. & G. Ins. Co., 136 U. S. 242, at 255 (1889);

Union State Bank v. Northwestern Life Ins. Co., 55 F. 2d 1070, at 1072 (C. C. A. 5, 1932);

Merino Viescay Co. v. Pan-Amer. Pet. Co., 83 F. 2d 240, at 242 (C. C. A. 2, 1936);

Wigmore on Evidence (3rd Ed.), Sec. 2556 (pp. 522-524).

The same question, whether existence of invention is a question of fact for the jury or a question of law for the Court, is also presented in those patent cases tried before juries in which the patent is held valid and infringed by the jury, but the jury's verdict is then set aside by the Court as contrary to the evidence.

This question was presented in the two following cases, in which this Court denied certiorari:

Ryan Distributing Corp. v. Caley, 147 F. 2d 138, at 140 (C. C. A. 3, 1945), cert. den. 325 U. S. 859 (Oct. Term, 1944);

Packwood v. Briggs & Stratton Corp., 195 F. 2d 971, at 973 (C. C. A. 3, 1952), cert. den. 344 U. S. 844, reh. den. 344 U. S. 882 (1952).

The Petition also lays stress on the fact that Petitioners' expert gave as his opinion that the Mackey patent constituted an advance over the prior art and was valid and infringed. But a Court or jury, of course, is not obliged to follow the opinions and conclusions of an expert and may disregard them, if they are unsound, unreasonable or unsupported by the evidence.

See:

Walker on Patents (Deller's Ed.), p. 1211;

Overweight Elevator Co. v. Improved Order of Red Men's Hall Ass'n, 94 F. 155 (C. C. A. 9, 1899);

Farmers' Cooperative Exchange, Inc., v. Turnbow, 111 F. 2d 728 and 731 (C. C. A. 9, 1940).

Neither are the Petitioners helped by the presumption of validity of the Mackey patent arising from its grant by the Patent Office. A presumption, of course, has no weight as evidence in itself, but is merely a rule of procedure imposing upon the party against whom it operates, the duty of going forward with evidence, and when that presumption is thus rebutted, the presumption disappears. Respondents here fully rebutted the starting presumption of validity by conclusive proof of the patent's invalidity, as shown by the prior art patents and publications. See:

New York Life Insurance Co. v. Gamer, 303 U. S. 161, at 171-2 (1937);

Connors v. Ormsby, 148 F. 13, at 14 (C. C. A. 1, 1906);

Luten v. Kansas City Bridge Co., 285 F. 840, 844 (C. C. A. 8, 1922);

Del Vecchio v. Bowers, 296 U. S. 280, at 286-7 (1935);

Reliance Life Ins. Co. v. Burgess, 112 F. (2d) 234, at 238 (C. C. A. 8, 1940);

Wigmore on Evidence (3rd Ed.), Sec. 2491, pp. 289-291;

Model Code of Evidence—American Law Institute, Rule 704 (1 and 2).

IV. THE COURT OF APPEALS DID NOT IGNORE RULE 52 (a) OF THE RULES OF CIVIL PROCEDURE IN REVERSING THE DISTRICT COURT.

We submit that the Court of Appeals clearly did not fail to give effect to the provisions of Rule 52 (a) of the Federal Rules of Civil Procedure in reversing the District Court. The pertinent provision, of course, is:

> "Findings of fact shall not be set aside unless clearly erroneous, and due regard shall be given to the opportunity of a trial court to judge of the credibility of the witnesses."

The action of the Court of Appeals in reversing the District Court in its Findings that the Mackey patent in suit was valid and infringed speaks for itself in showing that the Court of Appeals regarded the District Court's Findings in this respect as "clearly erroneous" and contrary to the undisputed disclosures of the prior art publications.

V. BREACH OF CONFIDENTIAL RELATIONS AND UNJUST ENRICHMENT WAS NOT A SEPARATE AND DISTINCT CAUSE OF ACTION FROM PATENT INFRINGEMENT IN THIS CASE.

The facts regarding this alleged cause of action, as shown by the pleadings of record herein and quoted above, show very plainly that the alleged breach of confidential relations and unjust enrichment were brought in only to

carry back the date of recovery of profits and damages prior to the issuance of the Mackey patent, and as a basis for an award of treble damages. We submit that the petition fails to present any question for this Court to determine on certiorari. The Court of Appeals plainly disposed of the alleged breach of confidential relations and unjust enrichment in ordering the dismissal of the Complaint herein. Necessarily this Order carries with it any causes of action stated in plaintiffs' Amended and Supplemental Bill of Complaint.

VI. CONCLUSION.

In conclusion, we respectfully submit that the Judgment of the Court of Appeals herein, in reversing the District Court in its finding of validity of the Mackey patent in suit, was correct and fully supported by the undisputed evidence of the prior art of record, and that the Petition presents no question requiring the exercise of this Court's discretionary jurisdiction and should be denied.

Respectfully submitted,

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February 12, 1957.

APPENDIX A.

(See opposite this page.)

22, 1954 B. A. MACKEY 2,681,673

DRILL BIT

Filed Oct. 11, 1952

Fig. 1.

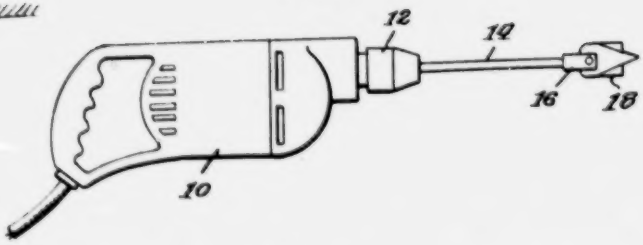


Fig. 3.

Fig. 4.

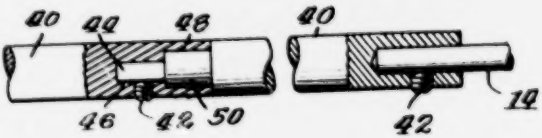


Fig. 6.

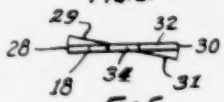


Fig. 5.

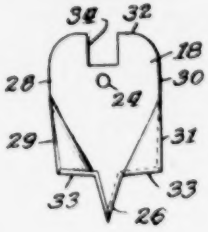
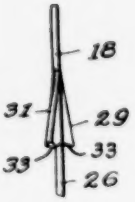


Fig. 8.



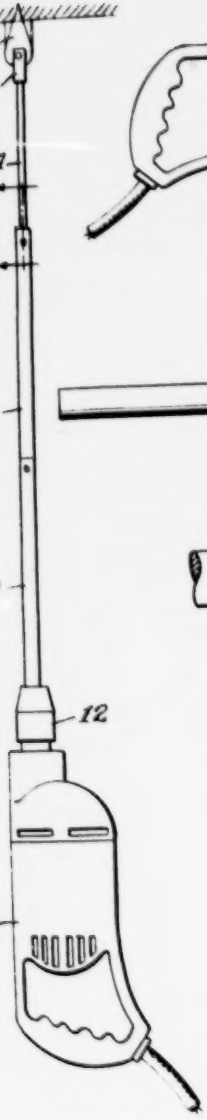


Fig. 2.

Fig. 7.

INVENTOR.
BRUCE A. MACKEY.
BY
Harry N. Hitzeman

APPENDIX B.

(See opposite this page.)

FLAT BITS

A

BOILERMAKING
(1926)
FIG. 22.

B

SMITH
(1925)
FIG. 14. (LEFT)

C

APPLETON
(1885)
FIG. 510A

D

APPLETON
(1855)
FIG. 510b.

FLAT BITS

E

PARKER
(1951)

TWISTED BITS

A'

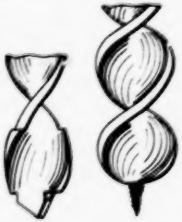
BOILERMAKING
(1926)
FIG. 24a. Cf. FIG. 27.

TWISTED BITS

B'

SMITH
(1925)
FIG. 15

C'



RANSOM
238,002
(1881)
FIG. 1.

KASSON
Rei 2551
(1867)
FIG. 6.

D'

APPLETON
(1855)
FIG. 516.

TWISTED BITS

E'

PARKER
INSUIT